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## Austin Weekly Deal Highlights

April 3rd, 2022

My people, what is up? Apparently, Austin-based VC funds. **Next Coast Ventures** with the major announcement this week, [closing](#) \$310M in capital across 3 funds, and just weeks after **S3 Ventures** announced their new [\\$250M fund](#). With [Gigafund's](#) \$478M fund, [LiveOak's \\$210M](#), [ATX Ventures' \\$150M](#), [Silverton Partners' \\$144M](#), and [Trust Ventures' \\$132M](#), I'd say we are very well capitalized, and that is just Austin-based funds raised in the past 2 years. (There are a handful of other notable VC investors in Austin, sorry if I missed you). And so the big question is, who wants to invest in a hyper regional, super informative, never disappointing, newsletter company? Accepting only billion-dollar valuation at the moment...

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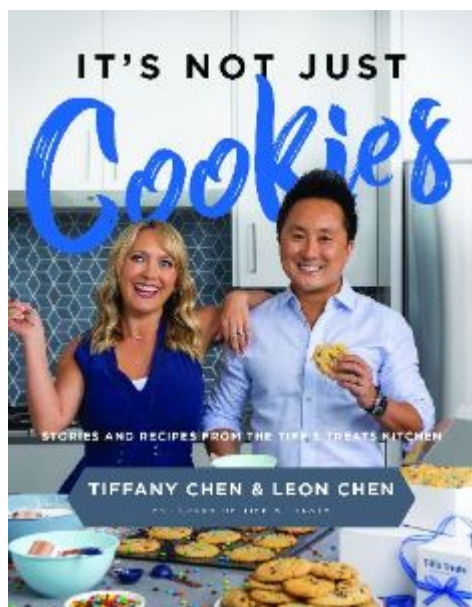
### Austin Fundraising Activity

- Austin-based startup investor [Next Coast Ventures announced](#) it has closed on \$310 million in capital across three new funds. The fundraise includes \$195 million for a third flagship fund, Next Coast Ventures III, along with a \$50 million opportunity fund, and \$65 million for a fund backing entrepreneurs who are looking to acquire and scale small businesses.
- Austin canned cocktail startup [Canteen Spirits and Cantina](#), which makes a variety of fruity vodka sodas, [has raised](#) a \$31M round to continue its national expansion, led by **ATX Global** Co-invest, which is part of **ATX Venture Partners**.
- [GRC \(Green Revolution Cooling\)](#), the leader in single-phase immersion cooling for data centers, secured a [\\$28M Series C](#) led by South Korea-based [SK Lubricants](#). This brings the company's total funding to date to approx. \$43M.
- [Smarter Sorting](#), a consumer goods data and sustainability company, [raised \\$25M](#) in a funding round led by **G2 Venture Partners**. Smarter Sorting has raised \$60.2M to date with the other

- major investor including **Apollo 11 Ventures**, **RTP Ventures**, and **US Ecology**.
- [Equi](#), an alternative investment platform, raised \$10M of seed funding from **Foundation Capital**, **Hustle Fund** and **Montage Ventures**
- [Boom & Bucket Inc.](#), marketplace for buying and selling used heavy equipment, [raised \\$5.5M](#) in seed funding led by **Brick & Mortar Ventures** and **Human Capital**. The company completed more than 100 sales in the past year.
- [Iconic Air](#), an emission mapping and analytics platform, [raised \\$5M](#) of venture funding from undisclosed investors.
- [N2N2](#), a content subscription networking solution, [raised \\$3.76M](#) of seed funding from undisclosed investors.
- [Phantom Neuro](#), a burgeoning neurotechnology startup that delivers a low power, high accuracy system for lifelike control of robotic orthopedic technologies, [announced](#) a \$3.26 million funding round. [LionBird Ventures](#) led the round with participation from **Draper Associates**, **Breakout Ventures**, **Blackrock Neurotech** and **Capital Factory**, along with private investors.
- [Clearyst](#), an integrated sustainability software designed to align, plan and expedite environmental, social, and governance (ESG) priorities, [raised \\$1M](#) of seed funding through a combination of debt and equity, from undisclosed investors.

## Austin M&A Activity

- [Resonant](#) (**NAS: RESN**) a late stage development company for the mobile device industry, [was acquired](#) by **Murata (TKS: 6981)** for \$315M. Resonant IPO'd in 2014 after raising \$7M in venture funding from investors including **Lone Wolf Holdings** and **Houston Angel Network**.



[Tiff's Treats](#) founders Tiffany and Leon Chen's new book, *It's Not Just Cookies: Stories and Recipes from the Tiff's Treats Kitchen* debuts April 5 at BookPeople, on Amazon, and at booksellers everywhere. The book tells the inspiring story of how Tiffany standing Leon up on a date led to the pair creating an on-demand, baked-to-order, WARM cookie delivery brand now valued at over \$500M, and also features at-home cookie recipes for some favorite Tiff's Treats flavors! [Get your copy today!](#)

## Other Texas Deal Activity

- Zimperium, a Dallas-based security platform that offers protection for mobile devices against the next generation of advanced mobile attacks, was acquired by **Liberty Strategic Capital**, private equity firm focused on investing in dynamic global technology companies, for approximately \$525M. Zimperium raised over \$100M from investors including **Sierra Ventures**, **Warburg Pincus**, and **Telstra Ventures**.
- NetFortris, a Plano-based provider of unified communications as a service (UCaaS) and managed IT network services, was acquired by **Sangoma Technologies** (TSX: STC) for \$80M. As a part of the transaction, \$68M was paid upfront and \$12M will be paid subject to certain conditions
- Houston-based startup Brain Check, a mobile interactive test for cognitive health, allowing users to track their brain health to share results with clinicians, raised \$10M in Series B, led by Austin-based **Next Coast Ventures** and Austin-based **S3 Ventures**. To date, Brain Check has raised \$24.7M with other investors including **True Wealth Ventures** and **UPMC Enterprises**.
- Alkami Technology, Inc. (NAS: ALKT), a Plano-based digital banking solutions provider for US financial institutions. has entered a definitive agreement for \$135M to acquire Segmint Inc., a leader in making account and transaction data usable and meaningful. **Alkami Technology** raised \$385.2M from investors including **General Atlantic**, **S3 Ventures** and **MissionOG**, before going public in 2021.
- Dynamic Infusion Therapy, a Dallas-based portfolio company of **River Glade Capital**, acquired **Vascular Access Consultants**, a provider of expert services to healthcare facilities.
- Cemvita Factory, a Houston-based company using biotechnology processes to decarbonize industrial sectors, raised \$5M venture funding from **United Airlines Ventures**. The company has raised \$20M to date.

## Austin People

- Epicor, a global leader of industry-specific enterprise software to promote business growth, announced it has appointed **Lisa Pope** as President of the company. Lisa Pope was previously the Senior Vice President of **Infor**. Epicor was acquired by Clayton and Dubilier & Rice through a \$4.7B LBO on October 14, 2020.
- Smarter Sorting, the consumer goods data and sustainability company which announced its fundraise above, also promoted CPG industry expert and entrepreneur **Jacqueline Claudia** to its new CEO. Claudia replaces former CEO, **Chris Ripley**. **Smarter Sorting** has raised \$60.2M to date, while Claudia previously served as Smarter Sorting's President and Co-Founder.
- Pingboard, the Austin-based software company that increases employee retention and engagement, announced the appointment of Laith Dahiyat as CEO. Pingboard, raised \$7.5M in funding from investors including Austin's **Silverton Partners** and **Capital Factory**, while **Laith most recently was the General Manager of Weedmaps Business**. Serial entrepreneur, Bill Boebel, founded Pingboard in 2013, and will transition his CEO responsibilities to Dahiyat.
- Everly Health, a health care company that aims to provide modern diagnostics-driven care, announced the hire of **Dr. Liz Kwo, MD, MBA, MPH**, as the company's Chief Medical Officer. To date **Everly** has raised \$200M, while **Dr. Kwo** most recently served as Deputy Chief Clinical Officer for **Anthem**.
- Austin private equity giant Vista Equity Partners hired **Lauren Dillard** as their CFO. **Dillard** was most recently executive vice president of investment intelligence for New York-based **Nasdaq**, the financial services company that runs one of the nation's premier stock exchanges and generated more than \$1 billion in revenue in 2021.
- Austin-based **Sean Nathaniel** who was most recently Chief Operating Officer for DISCO (NYSE: LAW), the Austin-based A.I.-powered legal technology company that went public last year, was appointed as COO of DryvIQ, the Ann Arbor-based Enterprise Data Management (EDM) platform.

## Austin News

- Texas Funding Scene Gets Bigger In 2022, per Crunchbase. So far this year, Texas companies have pulled in over \$2.6 billion in seed through growth-stage venture funding. These 5 Austin Tech Companies Raised a Combined \$470M in March
- Keep Austin Wired: Driven by a tech boom, lawyers are flocking to Austin, Texas

- Austin is [projected](#) to see a 3.6% increase in net tech employment this year – or about 5.6K jobs, according to a new report released by nonprofit tech association **CompTIA**.
- Austin moves up a spot to [No. 2](#) on prestigious best performing cities list. The index, which has published annually since 1999, ranks cities on a variety of metrics, including job creation, wage growth, and output growth.
- [Check out](#) the **Techstars Austin 2022 Winter Demo Day**
- **Applied Materials** starts Chapter 313 incentives process as it eyes [\\$2B R&D facility in Hutto](#)
- [Slingshot Aerospace, Inc.](#), a company building world-class space simulation and analytics products to accelerate space sustainability, [announced](#) it was awarded a \$25.2 million, 39-month contract from the U.S. Space Force's (USSF) Space Systems Command with strategic support from **SpaceWERX**. Slingshot Aerospace has raised \$44.5M to date with major investors **ATX Venture Partners** and **Draper Associates**.
- Is Austin the next US crypto hub? [Officials approve blockchain resolutions](#) . Austin [named](#) one of the highest paying cities for a crypto career
- 5 University of Texas programs [named No. 1](#) by U.S. News & World Report
- Abandoned rental cars and TSA lines out the door. [What's going on at Austin's airport?](#)
- **Meta** expands Central Texas presence with a new data center in Temple
- [Austin Venture Association](#), a non-profit in Austin aims to help bring the startup investor community together, has [launched](#).

Thanks!

[Mason Rathe](#)

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